

COMPENSATION POLICY

COMPENSATION

Compensation includes the following components

- **Hourly rate (non-exempt employees), or fixed wage (exempt employees)**
- **Bonuses**
- Other **benefits** provided through Tabby's Place

When considering pay increases, only the first item (**hourly rate** or **fixed wage**) is considered. For example, whether an employee has health insurance through Tabby's Place is not a factor in determining changes to pay.

CALENDAR FOR COMPENSATION REVIEWS

Compensation changes take place annually in August¹. The **compensation** changes fit into the entire review process as follows:

Step	Due
1. Review forms completed and submitted (self and manager)	June 15
2. Performance review	June 15
3. Fixed wage and hourly rate adjustments – effective date	August 1
4. OKRs (Objective & Key Results) – reviewed and set for the year	January 31
5. Bonus distribution	January 31

SALARY REFERENCE DATA

Tabby's Place uses salary reference data to determine appropriate wages by looking at pay for comparable positions at similar non-profit organizations. A non-profit is similar if it is engaged in animal welfare, of a comparable size to Tabby's Place in annual income, and in our geographical area. A comparable position is a position that involves similar duties and responsibilities. When a Tabby's Place position is best matched by composition of multiple positions in a reference survey, the rate is prorated as a composite rate using the estimated percentage of time spent in each relevant reference position.

An example survey that is referenced is "Compensation and Benefits Survey," published by the Association for Animal Welfare Advancement (<https://theaawa.org/>).

¹ The **compensation** of an employee may change at other times due to changes in job responsibilities, a near-term compensation review for new hires, or unforeseen circumstances, as needed.

HOW WE SET PAY

Tabby's Place's goal is to set **compensation** for positions as follows:

- New hire: at or above the top 75% range for comparable positions. If Tabby's Place is unsure of the skill level of a new hire, it is not uncommon for that employee to be started at a lower pay rate and to be evaluated for an increase in 3 months.
- Seasoned employee (typically employed here for >= 5 years): at or above the top of the 90% range for comparable positions.

HOW WE DETERMINE INCREASES

Approach to Hourly Rate or Fixed Wage Increases

Tabby's Place's philosophy for increases is summarized as follows:

- We expect to increase wages for all employees each year, unless:
 - Tabby's Place financial status or projections dictate otherwise (this is expected to be a very rare occurrence; it has not happened since opening in 2003), or
 - An employee is not performing adequately. In this case, an increase may be specified, but delayed until performance has improved adequately.
- The default increase will be set by the managers and Executive Director each year. Except in extraordinary circumstances, the default increase will be equal to the cost of living², so that employees will not fall behind rising prices. We hope to improve on this minimum in most years. The increase may be adjusted for individuals based on several factors, such as low performance or outstanding performance.
- If an employee is in a position to have access to the **compensation** information of other employees or applicants as part of their essential job function, the employee is not to disclose this information to other employees who do not otherwise have access to **compensation** information.

The Bonus Pool

Shortly after the beginning of the year, once the annual financial data is available, the managers will determine a "**bonus pool**," which is a maximum amount of money to be used for annual bonuses. The **bonus pool** will be used for allocating one-time bonuses to employees.

The size of this pool will vary from year to year, depending on the overall financial performance and projections for the organization. The pool may be \$0 in a year. It also possible that the entire pool may not be distributed in a year.

² For the increase in the cost of living, we use the latest government data for CSRS and ORDS, which can be found at <https://www.opm.gov/retirement-services/my-annuity-and-benefits/annuity-payments/#url=Cost-of-Living>.

HOLIDAY PAY

NON-EXEMPT EMPLOYEES

Non-exempt employees who work on **holidays** will be compensated as follows.

PLEASE NOTE: **Holiday compensation** will be capped at \$200 per employee per **holiday**. Each employee will receive pay for any hours worked on a **holiday**.

Non-Exempt Employee Holiday Compensation					
Scenario #	Holiday falls on a day...	Employee...	Standard Compensation	Holiday Compensation	Impact on PTO
1.	normally scheduled	does NOT work	None	hourly rate for hours normally scheduled up to cap	No PTO accrued
2.	normally scheduled	does work	hourly rate for every hour actually worked on the holiday	hourly rate for all hours normally scheduled up to cap	Hours actually worked count toward PTO accrual.
3.	normally NOT scheduled	does NOT work	None	None	No impact on PTO
4.	normally NOT scheduled	does work	hourly rate for all hours worked	half the hourly rate for any hours worked up to cap	Hours worked count toward PTO

Below is an example of how the holiday **compensation** would be calculated.

EXAMPLE: Non-Exempt Employee Holiday Compensation							
Scenario #	Scheduled Hours	Actual Hours	Hourly Rate	Standard Compensation	Holiday Compensation	Total Compensation	Impact on PTO
1. See Scenario #1 in above table	6	0	\$12/hr.	None	\$72	\$72	No PTO accrued
2. See Scenario #2 in above table	6	7	\$12/hr.	\$84	\$72	\$156	7 hours count toward PTO accrual
3. See Scenario #3 in above table	0	0	\$12/hr.	None	None	\$0	No impact on PTO
4. See Scenario #4 in above table	0	7	\$12/hr.	\$84	\$42	\$126	7 hours count toward PTO accrual

EXEMPT EMPLOYEES

Exempt employees who work on holidays will be compensated as follows:

Exempt Employee Holiday Compensation				
Scenario #	Holiday falls on a day...	Employee...	Standard Compensation	Holiday Compensation & Impact on PTO

Exempt Employee Holiday Compensation				
1.	normally scheduled	does NOT work	None	Fixed wage for the day
2.	normally scheduled	does work	Fixed wage for the day	Additional PTO for exempt employees for holiday hours worked
3.	normally NOT scheduled	does NOT work	None	None
4.	normally NOT scheduled	does work	None	Additional PTO for exempt employees for holiday hours worked

PAY RELATED TO INCLEMENT WEATHER OR BUSINESS DISRUPTION

NON-EXEMPT EMPLOYEES

Non-exempt employees will be compensated during closures according to the chart below.

Non-Exempt Employee Compensation During Closures			
Scenario #	Closure falls on a day...	Employee...	Compensation & Impact on PTO
1.	normally scheduled	does NOT work	None, but the employee may take PTO for hours scheduled that day
2.	normally scheduled	does work	Hourly rate for hours worked; PTO may be taken for any hours scheduled but not worked due to the closure
3.	normally NOT scheduled	does NOT work	None
4.	normally NOT scheduled	does work	Hourly rate for all hours worked

EXEMPT EMPLOYEES

Exempt employees will be compensated during closures according to the chart below.

Exempt Employee Compensation During Closures			
Scenario #	Closure falls on a day...	Employee...	Compensation & Impact on PTO
1.	normally scheduled	does NOT work	None, but the employee may take PTO for that day
2.	normally scheduled	does work	Fixed wage for the day
3.	normally NOT scheduled	does NOT work	None
4.	normally NOT scheduled	does work	None, but the employee will be granted Additional PTO for exempt employees for hours worked

EMPLOYEE BENEFITS

Tabby's Place provides specific benefits to its employees. These benefits and eligibility are defined in a separate **Employee Benefits Handbook**.

Although Tabby's Place will continue its efforts to provide such benefits, Tabby's Place expressly reserves the right to change, alter or discontinue any or all of its employee benefits programs at any time, as it deems appropriate under the financial and/or other circumstances it faces.

If there is any conflict between this Employee Handbook and the *Employee Benefits Handbook*, the *Employee Benefits Handbook* shall prevail.

Note: Our Founder is our current Executive Director and receives no salary. (02/02/2021)